

KERN COUNTY
WATER AGENCY

MEMORANDUM

REVISED PHASE II REPORT COMMENTS

December 11, 1998

Chapter 4 Draft Preferred Alternative
Water Use Efficiency pp. 64-71

page 64: "establish measurable objectives" and "if these objectives are not met, provide for the reconsideration of other management options." CALFED indicated in previous drafts that water use efficiency targets were not appropriate. "Measurable objectives" with threatened "other options" make it appear that CALFED has changed its policy on conservation targets. *This also suggests that all programs will not move forward together, rather that the water use efficiency program will drive implementation of other CALFED programs, without regard to their lack of relationship with the water use efficiency program.*

Water use efficiency measures do not necessarily "make available additional water supplies for environmental or consumptive users" in all cases or geographic areas of California. This is a blanket statement that does not reflect consideration by CALFED of regional differences. *What is the relationship between watershed management and the water use efficiency program?*

Page 65: correlation of water use efficiency measures with other components of the CALFED Program cannot be assumed. *Rather than "increase the number of opportunities available to water managers", WUE measures may decrease future opportunities, by constricting drought year responses. Also, while reduction in surface runoff can reduce discharge of unwanted substances into watercourses, it may also result in the introduction of these same substances into groundwater supplies, or increase leaching requirements, thus substituting one problem for another.*

Page 66: while stakeholders may agree in principle that water conservation can provide "significant benefits for multiple purposes," these benefits are not necessarily available from all hydrologic regions statewide. Some accounting of regional differences must be done. *Also, while the document states that "values presented are not goals or targets," page 71 suggests "measurable objectives" which "must result in reduced demand on Bay-Delta systems." This suggests that the values are indeed intended as goals or targets, without regard to their potential to meet CALFED goals and objectives. CALFED's document must make it clear that mandated levels of water use efficiency are not being suggested, nor that achieving such levels are a prerequisite to moving forward on all aspects of the CALFED Program, nor that reductions in Bay-Delta exports must be achieved by the WUE program, or else it is a failure and other aspects of the CALFED Program cannot proceed.*

Revise following sentence as indicated: "Stakeholders do agree, however, that water conservation can may provide significant multiple benefits for multiple purposes and may therefore is a significant contribution contribute to improvements in several the CALFED

solution areas."

The notion that losses which return to groundwater recharge are potentially recoverable for rerouting flows presupposes that recharge is less important than rerouting the flows, as well as that there will be no impacts on downstream areas from rerouting flows. This language should be revised to paint a more reasonable expectation for rerouting flows.

Page 67: The California Urban Water Management Council and the Agricultural Water Management Council must be the "entities" identified to certify or endorse water supplier implementation of conservation measures. Each has the organizational structure and experience to perform this function, and each is composed of a variety of stakeholder interests. No other "entity" could adequately or appropriately serve this function. *Rather than suggest a new entity, CALFED should focus on encouraging additional signatories, both Group 1 and 2, to join and strengthen the respective councils.*

Page 68: Gathering of data, identification of opportunities and measurement of effectiveness should all be performed at the local level. Local entities should then provide their data and information to either the CUWCC or the AWMC, as appropriate.

There is a disconnect in the region-specific Strategic Plans. A strategic plan provides a direction and focus to an agency's activities, but cannot assure that the plan will be perfectly implemented as desired. Hence the suggestion that strategic plans will produce measurable objectives to "assure" improvements is a misuse of the strategic plan process. This should be corrected.

It is unclear how reoperated facilities will enhance water supplies. Thus far, reoperations have resulted in reduced flexibility to operate facilities for water supplies. This should either be better explained or dropped.

The Agency, as a State Water Project contractor, has repeatedly objected to the water-based sanctions shown as "assurances." The Agency has contractual rights with the Department of Water Resources, as well as a significant financial stake in the SWP. Attempts to control the Agency's water contract via these sanctions will be strongly resisted. *The notion that water transfers or purchase of water from a drought water bank cannot be done unless the buyer or seller is certified or endorsed is severe. For water transfers, such a requirement could interfere with the market for water, effectively driving up the cost of the transaction for no good reason. For drought water bank purchases, it seems inappropriate to deny access to such water. There are other ways of assuring the WUE program element than denying access.*

Page 69: Potential benefits of the WUE program may not reduce demands for Delta exports, nor reduce entrainment effects, nor change the timing of diversions. These should be restated to indicate that in some areas and under some conditions the WUE program may have these "benefits."

The last sentence on page 69 should be modified as follows: "Could make water available for transfers to water users and for environmental flows through market transfers."

Page 70: It is unlikely that CALFED is going to "optimize" anything in its program. This word carries a connotation of perfecting an outcome. There are broad problems with such a program goal. It presupposes that cost-effectiveness is less a consideration than the reallocation of resources to an "optimum" level. The following sentence should be rewritten as follows: "Promotes the use of water in a way that optimizes both on-farm and environmental (including water quality) benefits which are locally cost-effective can be achieved."

Under the incentives bullet, financial incentives are mentioned as loans for actions or activities in connection with a water management plan, then on page 71 suggests that financial incentives should take the form of grants for measures which are supplemental to measures that are cost effective at the water supplier level. This raises the question of whether financial assistance will assist with implementation of practices which are identified as cost-effective in the water management plan, or target implementation of practices which were identified as not cost-effective in the water management plan. This needs clarification.

Page 71: Measurable objectives based on actual water use, and which reduce demands on Bay-Delta systems are not always the correct indicator to use. This should be rewritten to simply state that the objective is to achieve CALFED goals and objectives. To the extent these can be tracked, ok.

Under the assurances bullet, the sentence should be revised as follows: "Assurances will play a critical role in the Water Use Efficiency Program element. The assurance mechanisms are structured to ensure that urban, agricultural and refuge water users implement the appropriate locally cost-effective efficiency measures. This includes access to adequate funding for implementation of efficiency measures."

Chapter 4 Water Transfers Pages 72-76

Page 72: The Agency agrees that "CALFED actions must not interfere with the historical ability to transfer water." However, linkages with other CALFED program elements, such as water use efficiency, place requirements and restrictions on making transfers. CALFED must address such linkages, which are at cross-purposes.

Page 73: "Coordination among CALFED agencies to formulate policy" requiring "all transfer proposals ...to include" a vast range of information and data about various "impacts" will interfere with existing transfers. All elements related to participation in water transfers should be voluntary. The "required analysis" is an example of causing more bureaucratic red tape that will hamper efforts to effectively transfer water in a timely manner.

Chapter 5 Draft Implementation Plan
Water Use Efficiency pp. 105-111

Page 106-107: Item 1.) Why are such stringent objectives being developed for agricultural water use efficiency?

Item 2.) An objective that must result in reduced demand on Bay-Delta systems is flawed, as stated in prior comments.

Item 4.) What will be the function and composition of the "Public Advisory Committee" *versus* those of the CUWCC and the AWMC? Both councils are the appropriate entities to advise state and federal agencies on assistance programs for their stakeholder-based constituencies. A separate entity/bureaucracy should not be created to perform this function.

Item 5.) Regulations in addition to those already contained within the Urban Water Management Planning Act (Water Code Secs. 10610 *et seq.*) are not necessary. Regulation will only be necessary to denote the certification process and the entity selected to certify.

If "access to CALFED benefits will be contingent upon certification," then entities not desiring CALFED benefits should be exempt from UWMP certification.

Item 6.) The California Urban Water Conservation Council should be the "entity selected" to carry out the BMP certification. It has the organizational structure and experience to perform this function, and is composed of a variety of stakeholder interests. No other "entity" could adequately or appropriately serve this function.

If "access to CALFED benefits will be contingent upon certification," then entities not desiring CALFED benefits should be exempt from BMP certification.

Item 7.) It should be made clear that agricultural districts which do not wish to access CALFED benefits will also not participate in repayment of the CALFED Program.

Item 12.) The same problem with the form of financial incentives shows up again. Will financial incentives apply to implementation of cost-effective EWMPs identified in the water management plan, or to supplemental actions which are not cost-effective?

Item 14.) Why must "all state water users (*sic*) in the state of California" meter their water use? Why is metering not limited only to those whose "access to CALFED benefits are contingent upon certification"? In any case, water meter retrofit programs, which will be very expensive, must be funded at a significant level over and above what is determined to be cost-effective from the local perspective. CALFED must have such funding in place before any metering programs are undertaken.

Also, an "appropriate measurement of water use" may not be the $\pm 6\%$ specified in the CVPLA criteria. For instance, in water recharge areas (such as in Kern County) conveyance canals may be temporary, which precludes installation of expensive structures to measure water deliveries into the recharge basin to a $\pm 6\%$ degree of accuracy. The water inputs are measured, however.

Chapter 5 Water Transfer Framework

Page 111: introductory language: It is difficult to understand how this framework will "streamline the water transfers process." Workable processes already exist and are commonly used in various parts of California. Some of these could serve as models of streamlined processes.

Chapter 5 Assurances and Governance pp. 125-132

Page 126: does this refer to Urban Water Management Plan certification or to Best Management Practices implementation certification? Specify.